

## ABSTRACT OF THE DISCLOSURE

The present invention embeds watermark into quantization indices of the compressed data stream rather than the coefficients, thereby avoiding loss of speed from dequantization or requantization. Further, a heuristic technique is preferably chosen for selecting the indices and respective modification amounts, thereby avoiding the need for comparison with the original signal. Specific to this technique, indices are chosen corresponding to ranges within a sensitive portion of a human sensory range, zero indices are discarded, and a minimum amount is always determined. Still further, the same codebook is used to partially compress and partially decompress the compressed data stream, thereby avoiding complexity associated with multiple searches for optimum codebooks.